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Executive Director

ARIZONA CORPORATION COMMISSION
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2016 OCT 11 AM 11 21

October 11, 2016

TO: ALL PARTIES OF RECORD

RE: ARIZONA CORPORATION COMMISSION (IN THE MATTER OF THE COMMISSION'S INVESTIGATION OF VALUE AND COST OF DISTRIBUTED GENERATION)

DOCKET NO. E-00000J-14-0023

The Recommended Opinion and Order in the above-captioned matter that was mailed to you on October 7, 2016, has had changes made to Page 171. Please replace the attached Page 171 of your Recommended Opinion and Order. Page 171 of the original Recommended Opinion and Order has been replaced.

Sincerely Yours,

Teena Jibilian
Assistant Chief Administrative Law Judge

Arizona Corporation Commission
DOCKETED

OCT 11 2016

DOCKETED BY

On this 11th day of October, 2016, the following document was filed with Docket Control as a Memorandum from the Hearing Division, and copies of the document were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the filed document to the following who have consented to email service.

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ARIZONA CORPORATION COMMISSION (IN
THE MATTER OF THE COMMISSION'S
INVESTIGATION OF VALUE AND COST OF
DISTRIBUTED GENERATION)

DOCKET NO.:

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1 3) Flexible: to allow for the ability to change inputs and assumptions used in the
2 calculation.

3 IT IS FURTHER ORDERED that for the first utility rate case in which the value of DG
4 methodology we adopt in this proceeding will be used, including pending cases, the new export
5 compensation rate set in that case, as well as any changes to rate design, will apply only to DG
6 customers who sign up for new DG interconnection after the effective date of the Decision issued in
7 that utility rate case. DG customers who have signed up for new DG interconnection before the
8 effective date of the Decision issued in that utility rate case will be considered to be fully grandfathered
9 and continue to utilize currently-implemented rate design and net metering, and will be subject to
10 currently-existing rules and regulations impacting DG.

11 IT IS FURTHER ORDERED that Staff shall file, within 60 days following the date that the
12 Commission has issued a Decision in the pending Arizona Public Service Company rate case, a Staff
13 Report with recommendations regarding a rulemaking process to enable the Commission to review and
14 amend the current Net Metering Rules to comport with the changes in circumstances since their
15 adoption. Staff shall include in the Staff Report recommendations that take into account any waivers
16 to the Net Metering Rules that may have been granted or denied in the currently pending rate cases for
17 UNS Electric, Inc., Tucson Electric Power Company and Arizona Public Service Company.

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